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May 5, 2006

VIA HAND DELIVERY

Charles L.A. Terreni, Esquire
Chief Clerk and Administrator
PSC
101 Executive Center Drive
Columbia, SC 29210

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2006 MAY -5 PM 2:37
DOCKET CLERK

RE: Intrastate Universal Service Docket No. 97-239-C

Dear Mr. Terreni:

Enclosed please find the original and ten (10) copies of the following for filing:

1. Response of United Telephone Company of the Carolinas to the SCCTA's Petition to Raise Additional Issues; and
2. Response of United Telephone Company of the Carolinas to the ORS' Petition for an Order Clarifying USF Guidelines and Request for Expedited Relief.

Also enclosed is the original and a copy the Certificate of Service for both pleadings. Please return a clocked copy of the enclosed responses and certificate of service with my courier. If you or counsel for the parties have questions, please do not hesitate to contact me.

Sincerely,

ELLIOTT & ELLIOTT, PA



Scott Elliott

SE/jcl

Enclosures

c: Parties of Record
Cheryl W. Sweitzer
H. Edward Phillips, Esquire

BEFORE
THE PUBLIC SERVICE COMMISSION OF
SOUTH CAROLINA

IN RE:

**INTRASTATE UNIVERSAL SERVICE
FUND**

DOCKET NO. 1997-239-CA

**RESPONSE OF UNITED TELEPHONE COMPANY OF THE CAROLINAS TO
THE ORS' PETITION FOR AN ORDER CLARIFYING USF
GUIDELINES AND REQUEST FOR EXPEDITED RELIEF**

INTRODUCTION

Pursuant to the Notices of April 4 and April 13, 2006, issued by the Public Service Commission of South Carolina (the "Commission") and 26 S.C. Regs., 103-837 and 103-841, United Telephone Company of the Carolinas ("United") responds to the petition filed by the Office of the Regulatory Staff ("ORS") on March 16, 2006.¹

JURISDICTION

United agrees that the Commission has jurisdiction over this matter under S.C. Code Ann. § 58-9-280 (Supp. 2004). In addition, United also agrees with the ORS' Motion at Paragraph 5, p.3 that the ORS' Petition for Clarification and the Petition filed


¹ United also responds to the Motion of the Office of Regulatory Staff for Expedited Review filed on April 19, 2006. The ORS' Motion of the 19th specifically addresses in part the petition filed by the SCCTA and provides input to the Commission concerning moving forward on both the request made by the ORS and SCCTA.

by the South Carolina Cable Television Association ("SCCTA") on April 5, 2006 can be dealt with in a different phase of this proceeding.

UNITED'S RESPONSE TO THE ORS

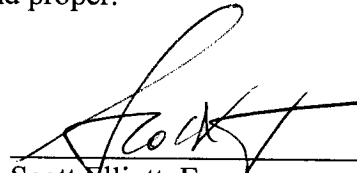
After reviewing both the requests made by the ORS and SCCTA in their respective pleadings, United believes that the Commission can reasonably entertain the ORS' request for expedited review as well as grant the requests for clarification made by the ORS in its March 16, 2006 petition.

Specifically, United supports the ORS and believes it appropriate for the Commission to clarify the State USF Guideline as follows:

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1. That revenues from international calls originating and terminating in the State of South Carolina should not be included in the intrastate USF assessment;
 2. That under current Commission orders and directives broadband and wireless services revenues should not be included in the intrastate USF assessment;
 3. That revenues from directory listings should not be considered in fund assessment; however, surcharges should be considered in order to recover Federal USF charges, and those revenues from the provision of special access services to retail end users are appropriate to be included in the intrastate USF assessment;
 4. That USF surcharges should be assessed to services provided to Lifeline recipients that exceed the Lifeline credit; and
 5. That the ORS be permitted to write off uncollectible debts from accounts receivable.

CONCLUSION

Wherefore, based on the foregoing, United Telephone Company of the Carolinas respectfully requests the Commission to enter the declaratory order as requested by the Office of Regulatory Staff and that the Commission consider the petition filed by the South Carolina Cable Television Association in a separate phase of this proceeding so that the Office of the Regulatory Staff's request is granted in an expedited and timely manner and for such other relief as is just and proper.



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May 5, 2006